



**Texas Department of Insurance**  
**Division of Workers' Compensation**  
Medical Fee Dispute Resolution, MS-48  
7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645  
512-804-4000 telephone • 512-804-4811 fax • [www.tdi.texas.gov](http://www.tdi.texas.gov)

## ***MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION***

### ***GENERAL INFORMATION***

**Requestor Name**

Universal DME

**Respondent Name**

Texas Municipal League

**MFDR Tracking Number**

M4-16-3586-01

**Carrier's Austin Representative**

Box Number 19

**MFDR Date Received**

August 2, 2016

### ***REQUESTOR'S POSITION SUMMARY***

**Requestor's Position Summary:** "Code E0675 is not included in the facility fee, and should be paid separately."

**Amount in Dispute:** \$589.00

### ***RESPONDENT'S POSITION SUMMARY***

**Respondent's Position Summary:** "Self-insured has disputed that reimbursement is owed for these services. Self-insured asserts that reimbursement for this equipment is included in the outpatient surgical facility reimbursement for that service date. There is no indication in the documentation that the devices were for use outside of the surgical facility."

**Response Submitted by:** Flahive, Ogden, & Latson

### ***SUMMARY OF FINDINGS***

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
May 10, 2016	E0675, A9901	\$589.00	\$0.00

### ***FINDINGS AND DECISION***

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the reimbursement guidelines for professional medical services.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:
  - P12 – Workers' compensation jurisdictional fee schedule adjustment, Included in the facility fee.
  - 97 – Payment is included in the allowance for another service/procedure

## **Issues**

1. Is the service payable based on submitted place of service?
2. Are the disputed services separately payable?
3. Is the requestor entitled to reimbursement?

## **Findings**

1. The carrier denied the submitted code E0675 with note, "Included in the facility fee." 28 Texas Administrative Code §134.203 (b) states,

For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation system participants shall apply the following:

- (1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers;

Review of the submitted medical bill finds the place of service found in Box 24B of the CMS 1500 is 22 or "Outpatient Hospital". The CMS Claim Processing Manual, Chapter 20, 10.2 - Coverage Table for DME Claims (Rev. 1, 10-01-03) B3-2105 states, "2. DME must be for use in patient's residence other than a health care institution. (BPM §110.3 & PIM, Chapter 5, §1) 2. Payment cannot be made for equipment for use in an institution classified as: a. A participating hospital, b. An emergency hospital..." and the Medicare Benefit Policy Manual, Chapter 15 – Covered Medical and Other Health Services, 110 - Durable Medical Equipment – General (Rev. 1, 10-01-03), B3-2100, A3-3113, HO-235, HHA-220, states, "Expenses incurred by a beneficiary for the rental or purchases of durable medical equipment (DME) are reimbursable if the following three requirements are met: • The equipment meets the definition of DME (§110.1); • The equipment is necessary and reasonable for the treatment of the patient's illness or injury or to improve the functioning of his or her malformed body member (§110.1); and, • The equipment is used in the patient's home." Based on the above the Carrier's denial is supported as DME is not separately payable when for use in a health care institution. No payment is allowed.

2. For the service in dispute A9901 - DME delivery, set up, and/or dispensing service component of another HCPCS code. The carrier denied this service as 97 – "Payment adjusted because the benefit for this services is included in the payment/allowance for another service/procedure that has already been adjudicated." Review of the Medicare Claims Processing Manual, [www.cms.hhs.gov](http://www.cms.hhs.gov), Chapter 20, Section 60, states in pertinent part, "not allow separate delivery and service charges for oxygen or DME except... in rare and unusual circumstances when the delivery is not typical of the particular supplier's operation." Insufficient evidence was found to support separate reimbursement for the delivery of the DME. The carrier's denial is supported.
3. The requirements of Rule 134.203 (b) were not met as the requestor is billing for DME for a place of service other than the patient's home. No additional payment can be recommended.

## **Conclusion**

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

### **ORDER**

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined that the requestor is entitled to \$0.00 reimbursement for the disputed services.

#### **Authorized Signature**

_____ Signature	Peggy Miller Medical Fee Dispute Resolution Officer	August 29, 2016 Date
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### **YOUR RIGHT TO APPEAL**

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**